

**MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE BOARD OF DIRECTORS OF
TEENS HAPPY HOMES INC. (THH) AND NIKI F. MILANI AND DANA ASKARI MOYENDA
(INVESTORS)**

THIS MEMORANDUM OF UNDERSTANDING is made this 27th day of June, 2007, between the parties of Teens Happy Homes Inc., hereinafter referred to as "THH" and Niki F. Milani, Dana Askari Moyenda, hereinafter referred to as "INVESTORS" and sets forth the relationship and obligations relating to Teens Happy Homes Inc.

Both parties have agreed to partner with the following conditions:

Realizing the need to bring the corporation to a financial stability and foster a closer networking between the governmental agencies and THH;

Recognizing the immense potentials of THH in social services, child welfare and child protection;

IT IS THEREFORE AGREED TO THAT:

1. INVESTORS agree to invest a total amount of \$139,000 one hundred thirty nine thousand to THH. An initial \$70,000.00 will be deposited to the account of THH upon the signing of this agreement.
2. THH will terminate the services of THH's current FFA Administrator within (45) forty-five calendar days of signing this MOU and designate Niki F. Milani to take over as FFA Administrator with Community Care Licensing approval. INVESTORS understand and agree all pay raises and adjustments can only be done with the Board of Directors prior approval.
3. THH will create a Quality Control Administrator position within (15) fifteen calendar days of signing this MOU and designate Dana Askari Moyenda;
4. THH will phase out within a (45) forty-five calendar day period current financial management team. The INVESTORS will bring a temporary financial team for a (6) six month continuance period.
5. Remaining \$69,000.00 terms and conditions – beginning January 1, 2008. INVESTORS shall pay monthly installments of \$1,500.00 (no interest applied). The remaining balance shall be used to pay off remaining debts. Upon full payment of the debts the remaining balance shall be applied to advertising, recruiting materials and/or a General fund and any other debt directly or indirectly pertaining to THH.
6. THH, through a Board Resolution issued at a special Board of Directors meeting called specifically for the said purpose, shall approve the creation of (3) three or 40% additional Board of Director's positions. Names will be submitted by the INVESTORS for approval. THH agrees within (45) forty-five calendar days upon the financial fulfillment by the INVESTORS, the board directors submitted by the INVESTORS will meet a ratio of 50% and does not exceed the 49% of interested members.
7. THH will abide by its repayment agreements with DCFS. INVESTORS agree to pay in full the IRS. (Approx. \$32,645.00), CDSS (\$23,355.00) and \$8,000.00 will be applied to "Note Payable" bringing the balance to zero.
8. THH will review all other Loans/Notes payable to determine whether full payment of the same or parts thereof shall be in THH's immediate benefit;
9. THH intends to address its operational expenses utilizing operational revenues. However, all financial expenditures pertaining to recruitment and/or marketing shall be the responsibility of the administrator and within board of director's budget and approval.

10. Mrs. Beautina Robinson will remain as the Chief Executive Officer of Teens Happy Homes Incorporated for a period of three (3) years beginning after the financial fulfillment by the INVESTORS. After the said period, Mrs. Robinson agrees to stay as the COO (Chief Operating Officer) for a minimum period of two (2) years. THH agrees if Ms. Beautina Robinson resigns and/or becomes physically unable to perform her duties as CEO before the expiration of her agreed term, THH is to designate one of the INVESTORS as the CEO.

11. INVESTORS Failure to meet MOU- Upon the failure to comply or meet the MOU by the INVESTORS. The board members added agree to resign their positions with no recourse or liability towards THH, agents, officers, directors and employees. THH will resume 100% of the Board of Directors.

12. Both parties understand that THH is contracted by Los Angeles County Department of Children and Family Services for foster care services and there is no guarantee the contract will be renewed for foster care services upon its expiration. THH is Licensed by the State of California Community Care Licensing and there is no guarantee the license will be renewed upon its expiration. If said contract or license or license is not renewed, INVESTORS shall have no additional recourse for its investments other than that provided for by law.

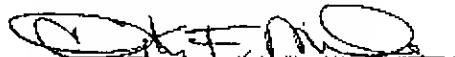
This M.O.U. is binding on the parties, their successors, and transferees and constitutes the entire M.O.U. between them, superseding any and all previous agreements, oral or written with respect to the subject matter hereof. No modification or waiver of any term or amendment to this M.O.U. shall be effective unless signed in writing by all Parties.

This M.O.U. shall be interpreted in accordance with and governed by the internal laws of the State of California.

This M.O.U. may not be assigned or transferred to another Party without the written consent of the other Party(ies)

The M.O.U. shall be effective from the day of its signing by both the parties.

On behalf of INVESTORS



Niki F. Milani

Niki Milani
Print Name

6-27-07
Dated:

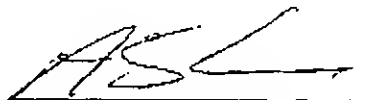
On behalf of THH



Maurice Mitchell, President

Maurice Mitchell
Print Name

6-27-07
Dated:



Dana Askari Moyenda

DANA ASKARI MOYENDA
Print Name

6/27/07
Dated:

ACKNOWLEDGMENT

State of California
County of Los Angeles

On June 27, 2007 before me, Fabiola Duenas, Notary Public
(here insert name and title of the officer)

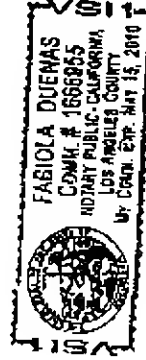
personally appeared Niki F. Milani and Dana Askari Moyenda

personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and
acknowledged to me that ~~he~~/s/~~he~~/they executed the same in ~~his~~/her/their authorized
capacity(~~ies~~), and that by ~~his~~/her/their signature(s) on the instrument the person(s),
or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Fabiola Duenas



(Seal)

**WRITTEN CONSENT OF THE BOARD OF
DIRECTORS
TEENS HAPPY HOMES, INC.
FOR JUNE 26, 2007**

Under the provisions of the Bylaws of this corporation, by unanimous consent of the undersigned, being all the members of the Board of Directors, the following action is authorized and approved:

WHEREAS the Board of Directors deem it necessary and desirable for this corporation to enter into an MOU with Niki F. Milani and Dana Askari Moyenda (Investors) to bring some financial strength to the corporation, on the terms and conditions specified therein, it is

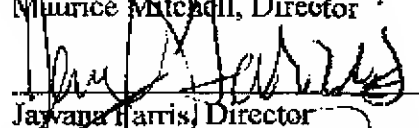
RESOLVED that the President of this Corporation is hereby authorized and directed to enter into and execute on behalf of this corporation such MOU and any other documents and instruments as may be necessary and proper.

This authorization is given pursuant to the authority of Section 307 (b) of the Corporations Code.

Dated: 6-27-07


Maurice Mitchell, Director

Dated: 6-27-07


Jayana Harris, Director

Dated: June 26-07


Beaufina Robinson, Director

Dated: June 27, 2007


Valencia Stevenson, Director

I certify that the foregoing constitutes all of the Directors on the Board of Directors of this corporation and that said resolution unanimously passed and has not been modified or rescinded.


Laura Able, Secretary